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1903.

# THE CURRENCY QUESTION.

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The Confidence of "THE TIMES" in its own Monetary Doctrines *Exemplified*, by its *Refusal to give Publicity* to a Free Offer of the Sum of ONE HUNDRED GUINEAS to any Man who may be able to Maintain their Validity before a Competent and Impartial Tribunal.

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## A REJECTED LETTER

TO THE EDITOR OF

"THE TIMES,"

ON THE SUBJECT OF THE CURRENCY:

TO WHICH IS ADDED

THE ABOVE-NAMED OFFER REPEATED;

FAILING THE ACCEPTANCE OF A CHALLENGE TO "THE TIMES" TO DISCUSS THE SUBJECT FOR THE SUM OF

FIVE HUNDRED GUINEAS.

BY JOHN GRAY,

AUTHOR OF THE "SOCIAL SYSTEM; A TREATISE ON THE PRINCIPLE OF EXCHANGE."

EDINBURGH:

ADAM AND CHARLES BLACK,

BOOKSELLERS TO THE QUEEN.

LONDON: LONGMAN, BROWN, GREEN, AND LONGMANS.

MDCCCLVII.

## TO THE NEWSPAPER PRESS.

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THE following pages have been printed solely on *public* grounds. That the author seeks not any *private* advantage by their publication, will be sufficiently obvious from their own contents. A sixpenny pamphlet will not bear the expense of much advertising; but to every gentleman of the public press, whether he reside in England, Ireland, or Scotland, who shall insert in his paper *the title-page hereof*, adding thereto the words—" *This day is published, price Sixpence,*" immediately before the words—" *A Rejected Letter,*"—the advertisement-duty will be immediately forwarded for one insertion, on receipt of a copy of his paper containing the advertisement. By publishing which he will also oblige

A BROTHER NEWSPAPER PROPRIETOR.

EDINBURGH, No. 11, INVERLEITH ROW,  
October 22, 1847.

☞ For your NEWS COLUMNS extract *ad libitum*.

## PREFACE.

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EVERYBODY knows that a very general opinion is now making its way in the world, that some radical error pervades the Monetary System of society.

Everybody knows that, in consequence of this general opinion, certain public meetings have been held in London, Birmingham, Newcastle, Glasgow, and elsewhere, to take the subject of Money into consideration ; at which meetings various resolutions, condemnatory of the existing monetary laws, have been passed by large majorities.

Everybody knows that the resolutions carried at these meetings have been stigmatized by the *Times*, day by day as they have been passed, as little better than the solemn imbecilities of a pack of fools. Argument, satire, pity for the infirmity of their minds, and good-natured abuse, have been heaped in about equal proportions on the heads of the unfortunate speakers and movers of the resolutions ; whilst

Everybody knows that, upon the said subject of Money, the *Times* is the self-constituted Oracle of wisdom, at whose feet, argument, evidence, demonstration, that the monetary laws are a tissue of absurdities, must fall in humble and abject prostration.

so long at least as the Oracle aforesaid shall continue to issue forth the mandate—" *The Monetary laws are just : Obey them !*"—Yet

Everybody knows, who *truly* knows anything whatever about the matter, that the *Times* cannot put forth six consecutive sentences upon the subject of Money, without writing the most absurd and ridiculous nonsense—I beg pardon for the *adjectives!* Hope no infringement of any Printing-house Square *patent* by the use thereof?

From what follows it will be seen, that "*Audi alteram partem*" is no motto of the *Times* on the subject of

## THE CURRENCY.

No. I.

TO THE EDITOR OF THE TIMES.

EDINBURGH, Oct. 5, 1847.

(*Private.*)

SIR—The enclosed letter will speak for itself. But, in placing it in your hands in the unusual form of *proof* instead of *manuscript*, you will distinctly understand that it has been put into type solely for the purpose of being presented to you in a clear and distinct form. Three proofs of it only exist; not a line of it has been published, nor will be, until after it shall *either* have *appeared* in the columns of your paper or been *refused* a place therein.

I am, SIR,

Your most obedient Servant,

JOHN GRAY.

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No. II.

TO THE EDITOR OF THE TIMES.

EDINBURGH, Oct. 15, 1847.

SIR—On the 5th instant I addressed a letter to you on the subject of the Currency, accompanied by a short note marked "*private*," stating the reason why the said letter was presented to you in *proof* in place of *manuscript*.

Observing that, up to yesterday's date inclusive, neither my letter on the Currency, nor any intimation that it is or is not declined, had appeared in your paper, I shall consider that the said communication is rejected, unless some notice to the contrary shall appear in the *Times* on or before Wednesday first, the 20th instant.

I am, SIR,

Your most obedient Servant,

JOHN GRAY.

### No. III.

Copy of the LETTER refused insertion by the *Times*,  
referred to in number one.

## THE CURRENCY QUESTION.

### PRIZE ARGUMENT

FOR

ONE HUNDRED GUINEAS  
AND MORE.

TO THE EDITOR OF THE TIMES.

SIR,

So many and various are the forms in which your numerous correspondents are accustomed to acknowledge the brilliancy of your talents, the straightforward honesty of your motives, and the uncompromising fearlessness of your writings upon whatsoever subject may engage your pen, that it would perhaps be diffi-

cult to find a new shape in which to reiterate the same sentiments. And yet, when I tell you that although in the course of my ordinary avocations, I receive at least a score of London and provincial Newspapers a-week, of which number I peruse with any thing like regularity *but one*, that one being the *Times*, I pay you at least the highest compliment that it is within my power to offer.

It is with some feeling of regret, therefore, that I observe the sarcastic character of your observations upon the Anti-gold law league party. I refer to your leading article on the subject in your paper of the first of this month.

I am not a member of the Anti-gold law league; but I entertain certain opinions upon the subject of Money, with which your article of the first instant is, in some respects, as completely at variance as it is with those against which it was more especially directed.

Now, judging from the fairness which you usually exhibit in such matters, if I were to write even a long article in reply to such of your opinions as I think I could refute, you would probably give it a place in your columns. And, if so, what then? Why just this: The *Times* says one thing, and some obscure and unheard-of *Correspondent* of the *Times*, who is favoured with space in the *Times* for the purpose, says another thing. Would, in this case, *equal strength of argument have equal influence on the public mind?* Assuredly it would not! The mere *ipse dixit* of a great man—although great men are nearly as often wrong upon certain points as small ones—or of a great authority like that of *The Times*, has ever been accustomed to prove, for a time at least, an



over-match for the most conclusive arguments, and even for demonstration itself, when merely placed side by side in the columns of a newspaper. And most especially is this true with reference to such matters as the Currency; a subject which nobody seems fully to comprehend, and about which nine-tenths of the public will freely tell you in so many words, that they really know little or nothing about it. What, therefore, would be the use of any No-authority Man writing in your paper *against yourself* upon such a subject as this?

Again, how is it possible for any one to convey his opinions, with any considerable degree of fulness or fairness, upon the subject of Currency, within the space of one, or even two or three, newspaper articles, however liberally the same might be admitted into your columns? It is not possible.

I decline, therefore, to meet you, even though you should be inclined to allow me, on this most unequal ground. But if in this question—as in most others I am well convinced you are—it is your real object to arrive at *truth*, even though the attainment thereof should oblige you, in certain particulars, to retract your own opinions, I shall now endeavour to afford you an opportunity, by means of which I think it not improbable that we may be able to arrive at truth; or, failing that, at least to obtain a little further knowledge of a subject, in which, if we may judge from the recent disquisitions of the public press, a large proportion of the mercantile classes seems just now inclined to take an especial interest.

Thus, then, does a humble, and, politically speaking, wholly unknown individual, venture to throw

down the gauntlet to the Editor of the *Times*, and through him, to every advocate for a *golden standard of value* in the three kingdoms.

*It is just sixteen years ago*—at which time, if I remember correctly, not *Monetary*, but *Parliamentary* Reform, was to be the great panacea for nearly all the evils that flesh is heir to—when monetary reform was apparently little thought of, and when the voice of any Anti-gold law league had as yet been unheard at Anderton's—that I printed and published the following assertion, which assertion, I still maintain, contains a *truth*, to the recognition of which mankind in general—in this country at least—are just now beginning to open their eyes for the first time since England was a nation.

“As it is by labour that all things valuable to mankind are produced, so is it by exchange that individuals are enabled to partake of a great variety of things which their own labour could never, by any possibility, have commanded without it. In an advanced state of society, the food, clothing, and habitation, in ordinary use, amongst all classes of men, are composed of an immense number of ingredients, the result of the industry of individuals scattered over the face of half the globe; whilst it is evident, that if each person could obtain nothing but what should be immediately and directly produced by the labour of his own hands, mankind never could have emerged from a state of the rudest ignorance and barbarism.\*

“Exchange, therefore, may be denominated the bond and principle of society; but it is a matter of legitimate

\* In my letter to *The Times* the above quotation commenced with the *second* paragraph, “Exchange, therefore,” &c. in place of with the words “As it is by labour,” &c., the former paragraph being now added for the sake of additional clearness.

inquiry, whether the existing plan of exchange be a good one? whether it be founded in right principles? and whether it be calculated to confer upon us all the benefits which the present advanced state of human knowledge and resource entitles us to look for and expect?

“ And these questions I answer with an unequivocal and emphatic *No*. It is our system of exchange which forms the hiding-place of that giant of mischief which bestrides the civilized world, rewarding industry with starvation, exertion with disappointment, and the best efforts of our rulers to do good, with perplexity, dismay, and failure; and it is our system of exchange which has produced the worse than Babylonian confusion in the ideas of men upon the subject of their collective interests.

“ Give us—and we have it now within our grasp—parliamentary reform—give us universal suffrage, annual parliaments, vote by ballot, free trade, an acquittal of the public debt, freedom from all taxes, a repeal of the Union, and every other thing upon which the public has ever yet rested its disappointed hopes—and *still* shall this demon of commercial error hold our prosperity in his iron grasp, and smile upon our ignorance and folly, as he shall see our burdens, as we call them, one by one removed, whilst we continue to sink deeper and deeper still into the Slough of Despond, under the invisible but enormous weight that is oppressing us.”

In 1842 I repeated the same language, and sent a copy of the work that contained it to upwards of *five hundred* of the principal reviews, magazines, and newspapers, throughout the kingdom, a *b c* fashion, just as I found their names in a then recently published list of such works, and without the slightest selection or regard to their party or politics. But, if I except a few rather remarkable instances to the contrary,

this work, as well as the former one—which it is *not* the object of this letter to advertise—fell amongst the public like lead into the sea; and by the publication of the two I had the happiness of losing some £250. Nothing daunted, however, here I am again, in 1847, singing the same song to the self-same words, now for the first time admitted into the columns of [*read refused insertion by*] the *Times* newspaper; whilst an ill-trained, uninstructed, and blundering chorus to the same tune is now faintly *but distinctly* heard to resound from one end of the kingdom to the other.

It may be asked, however, what can I expect to do *now* more than I have already done, seeing that my opinions as to the especial *cause* of commercial misfortune and general distress and difficulty remain precisely what they were before?

The answer is obvious: *The times themselves have changed*—the people of to-day are not the people we had to deal with on this subject *sixteen* years ago, or even *five* years ago; and, moreover, I am now prepared to demonstrate a mode of operation a thousand times less complicated than any which I could see before, in carrying a Free System of Exchange into operation.

But, to the end and purpose of this letter, which is to say, that, having been engaged by the Directors of the Edinburgh Philosophical Institution to deliver “Eight Lectures on the Nature, use, and proper qualities of money: what money *is*, and what it *should be*: a subject which necessarily includes a brief review of the General principles of Political Economy, in February and March next,”\* I hereby offer

\* These Lectures will be given gratuitously.

the sum of *One hundred guineas* to any man who shall be able to produce *the best refutation of, and to refute*, the main argument which I shall then and there repeat; namely, that it is to the Reconstruction of our Monetary System, and to this only, that we must look for any great and general improvement in the condition of the productive and mercantile classes of society. I affirm that our Monetary system is false in principle; that it is root and branch a system of error; that it is utterly destructive of the interests of society; and that it will ever be quite impossible materially to improve our social condition and prospects generally, until it shall be erected upon a foundation *totally different* in character from that on which it at present rests.

The terms and conditions of the Competition to be as follows:—

*First*—The Lectures to be delivered by me before the Members of the Edinburgh Philosophical Institution shall be printed and published, at my own cost, within three months after the delivery of the last lecture.

*Secondly*—Any person who may feel inclined to refute the arguments which I shall adduce, shall be at liberty to do so in the English language, and to hand his production, bearing some fictitious signature, to the office of the *Times* newspaper, along with the sum of one guinea, within the space of four months from and after the day whereon the said lectures shall be advertised as being “*published*,” in the *Times* and in the *North British Advertiser*.

*Thirdly*—The Editor of the *Times*—it being presumed that it would be quite impossible for him to

undertake the task himself—shall hand the said refutations, as received, to any person whom he may consider to be fully qualified, to select from amongst the number the *best refutation* of the Monetary principle, for the establishment of which it will be my duty to contend.

*Fourthly*—All the other Refutations shall be returned to their respective authors, in such manner as the editor of the *Times* may direct; whilst the writer of *the one elect* shall receive, in the first place, from the editor of the *Times*, the whole amount of the guinea sweepstakes; that is to say, as many guineas as there shall have been candidates for the small honour of refuting a poor advocate for the immediate establishment of a *paper* currency.

*Fifthly*—On the best refutation of my principles being selected, two copies thereof shall be handed to me—either in print, the type not being smaller than Long-primer, or else in a large, clear, and perfectly distinct hand-writing—and within four months from the receipt thereof I shall be bound to reply to it.

*Sixthly*—Two first-class Members of the Scottish Bar—men accustomed to sift and judge of evidence—who shall, at the time of adjudication, be unpledged, by any public declaration or writing, to *any* monetary system, or system of Political Economy whatsoever—shall be selected as Adjudicators by each of the contending parties: that is to say, two by the author of the best Refutation, and two by myself; and these gentlemen, should they differ in opinion, shall appoint an umpire.

*Seventhly*—In the hands of the Adjudicators so elected, shall be placed,

- 1st, A copy of the original Lectures ;
- 2dly, A copy of the Refutation ; and
- 3dly, A copy of my Reply thereto.

And, without pledging themselves to *any opinion whatever* as to the point at issue, if they, by a majority of their number, shall nevertheless declare that, upon view of the whole case, *I shall have had the worst of the argument*, then, to the writer of the best Refutation aforesaid, I will pay the sum of one hundred guineas, in addition to whatsoever number of guineas he may have previously received in terms of the fourth article of this proposal; whilst, on the other hand, should the Adjudicators award the case in my favour, the defeated combatant shall pay me—*nothing*.

*Eighthly*—I shall retain the copyright of my own lectures, and I stipulate also for the right, but not the *exclusive* right, to publish, *ad libitum*, the Prize Refutation, and that whether I be beaten or not ;—and I shall retain also, of course, the copyright of my reply.

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Thus, upon this plan of competition, the Arbiters would have but *three* papers to examine; whilst in the case of the Atlas Prize-Essay, on the Causes of, and Remedies for, the Distresses of the Country, the Adjudicators had the effusions of no less than one hundred and fifty-eight competitors to go over.

And now, Sir, if you have really all the confidence you profess in your *golden* standard of value, *show it* by publishing this challenge in an early number of your valuable and—on the present subject—too

influential, paper ; as also by accepting the very small share of trouble which would devolve upon yourself as banker, *pro tempore*, for the competitors, and nominator of the *golden* judge of the argument.

And in case you have not a competent judge of the subject at this moment in your mind's eye, what think you of the sapient author of the celebrated "*fire-light*" article on "*The Instrument of Exchange*," which appeared in the first number of the Westminster Review?—unless, indeed, he should prefer to try his hand at a wee bit refutation himself.

In conclusion, I have only to add, that, as I am an entire stranger to you, the Bank of Scotland will satisfy you as to my ability to perform the penurious part of the above engagement.

I am, SIR,

Your constant reader,

And most obedient humble servant,

JOHN GRAY.

EDINBURGH,  
No. 11, Inverleith Row,  
October 5, 1847.

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The foregoing proposition being unsuitable for the *Times*—the *subject* thereof being probably of *insufficient general interest or importance*, particularly at the *present time*, to be worthy of a place in the columns of the "*Leading Journal of Europe*"—*the same offer* which has been refused admission into the *Times* is now *repeated* through the medium of this pamphlet,



as also through the medium of every newspaper that may be pleased to extend its publicity; the office of *treasurer* for the competitors and *selector of the best Refutation*, refused by the *Times* being now proffered to any person to be nominated and appointed by Sir Robert Peel, whom failing by the Editor of the *Edinburgh Review*, whom failing by *any* advocate of a golden standard of value of *equal public status with those already mentioned*.

But I will not refer this matter to any inferior party. If I take any golden bull by the horns, he shall be at least a real bull and not a bull-calf. It would be child's play to make mincemeat of such a *Times' suckling* as this, for example :—

“Among the various projects that have been suggested for the relief of the present commercial panic, it was proposed at a meeting held in London on Wednesday last, by a Society who have assumed the title of the Anti-gold law league, to *substitute a paper for a gold currency*, which was to be issued under the authority of Government to a vast amount, with which the national debt was to be paid, and a new and halcyon era to be introduced, in which panics, and all the other evils to which commerce is liable, were to be entirely unknown. We should have thought that such chimeras were too absurd to obtain even an audience in the present age of boasted improvement. They are certainly too absurd to be dwelt upon : and, but for the absence of all other news, would hardly, at present, have attracted the attention bestowed on them.”—*From a recent number of an Edinburgh Paper.*

No one, however, would say “*thank you*” for my pains ; neither would any advantage be gained by the immolation.

But bring the proud, haughty, and dictatorial

*Times* before a tribunal of competent, honourable, and impartial men; obtain a verdict against *him*, and publish it, *along with every word of the pleadings on both sides of the question*, so that every man may be enabled to judge for himself of the justice of the decision, and *then* a battle worth the fighting will have been fought and won—the instantaneous effect of which would be to concentrate the intellectual power of England upon the consideration of *the nature, use, and proper qualities of money*.

My offer of a *premium* to any man who may be able to refute my argument against a golden standard of value may, however, be too liberal. The *Times* would probably disdain to allow his name to be mixed up with so unfair, so unequal a contest.

If so, put it into another shape. The Editor of the *Times* has a hundred-fold my learning, a hundred-times my talent. I could as readily undertake, with any chance of success, to compete, in their own department, with a Sir Isaac Newton or a Sir Walter Scott, as to edit the *Times* newspaper. But, so far as regards the knowledge of this one subject—*money*, I acknowledge *no* superior, either *in* the establishment of the *Times* or *out of it*. I deny that the Editor of that paper, so far as shown by his writings, has ever made himself acquainted with even the *first principles* of a sound Monetary system. This he will deny. Let us then *try the question* in the manner already proposed; but in place of a *premium* on the one side, and *nothing* on the other, let the contest be for *five hundred guineas*, that is to say, for two hundred and fifty guineas a side.

I now publicly challenge the *Times* to discuss the

question for this sum of money; the terms and conditions of the competition being as per my *rejected letter* to himself, only that *his own* refutation, or any one that he can *produce*—and it may be written by a committee of bullionists if he likes—shall come in room and place of one *selected* from the effusions of a number of competitors; the other offer being withdrawn until I shall receive his reply.

As already mentioned, I am not a member of any Anti-gold-law league, nor of any other league. I take no active part in politics, attend no political meetings, or almost none; and, indeed, for many years past have not even taken the trouble to record my vote at any election of a member of Parliament. Nor have I the slightest inclination to deviate from this general rule of conduct, so long at least as I may continue to fill a situation in life the duties of which would seem to say “You should be a *looker on* in political matters rather than an active participator therein.”

But *money* is of *no* party, or rather it is of *all* parties: it is the life-blood of trade, commerce, and manufactures, and whosoever shall attempt to place *it* upon a sound basis will be exerting himself not for class, sect, party, or even country, but equally for queens and kings upon their thrones and the most humble inhabitants of their respective dominions; as also for every grade of society between these two extremes. For, so far as the present writer at least is concerned, he contemplates not the infliction of any act of injustice upon man, woman, or child, living or yet to live, either in this country or in any other, by the Monetary changes he would bring about; and neither *could they* be the cause of any.

I await the *Times*' reply. If he accept my challenge to discuss the subject in manner proposed, then the previous offer of a free gift to any man who may be able to produce the best refutation of my arguments, and to refute them, is withdrawn. But if the *Times* shall decline the controversy, and thus write himself down *libeller—boaster—coward*, before the face of Europe, then and in that case I abide by my previous offer of premium. For this important question *shall* be publicly disenssed now *to its termination*, and that whether the *Times* will or will not that it should be so.

In conclusion, it may be proper to state that, for the reasons given in my rejected letter to the *Times*, I decline entering at all upon the discussion of the snbjeet of money here. Still, however, it may not be out of place to refer to one or two considerations that can hardly fail to obtrudo themselves upon the general reader, whilst turning over this subject in his mind.

Will it not, for example, be considered extraordinary that the *Times*, usually so well informed, so accurate, so able, and so honest, should have failed to discover the radical error of our Monetary system, if there really be one?

Not partienlarly so. Most men are accnstomed to think, just as they are aceustomed to walk, in certain directions only; and if they chance to start in a wrong one, the farther they go the more distant they become from the very object of which they are in quest. But fix they will on something; and if they find not truth, they are pretty sure to pick up error in its stead, and to adopt it. Hence, truth itself, when tested by the creed of error, is error; and error,

similarly tested, truth. Minds of the very first class, and hundreds of them, are in this predicament upon certain points, and the *Times* is one of them.

Again, the Editor of the *Times* possesses, not improbably, a learned rather than a self-taught mind. He may have been a reader rather than a thinker; and if so, God help him, when he refers to his *authorities* upon that science of contradictions, Political Economy.

But be this as it may—I speak now of his general writings—whilst he has avoided some of the errors of M'Culloch, such as Irish absenteeism being no evil, and effectual demand depending *wholly* on production, he has adopted, almost to the letter, the absurdities of the Westminster Review. In one word, his stumbling-block is *depreciation*, a subject he understands just as accurately as did the learned goose who wrote the article on the Instrument of Exchange in the first number of that work. “Whether we shall ever have to give a five-pound note to a waiter for bringing a cup of coffee? and if not, why not?” was the text of the learned *Reviewer*. “Shall we permit the National Creditor to be defrauded of one-half of his dues, by allowing the country to be inundated with a Paper Currency?” is the text, though not the precise words, of the *equally* learned *Times*. Nay, they are so precisely at one on this point, that their writings may be from the pen of the same man for aught I know to the contrary; but if so, I do *not* know the fact.

In any case, however, the answer is the same; and thus it is:—Paper money may be *increased to an almost indefinite extent*—to an extent certainly

very far beyond that apparently contemplated by the Anti-gold law league party, *not merely without depreciating in value at all*; but it is also the fact, that, by no conceivable means *can depreciation be prevented, and a strict and invariable standard of value brought into existence, and maintained, EXCEPT by the adoption of A PAPER CURRENCY.* And this is not a mere *opinion* founded upon general reasonings and observation,—it is a *truth* capable of the clearest and most indisputable demonstration.

The Editor of the *Times* may not, perhaps, be able to see very clearly in what manner this may be effected. No matter—the misfortune is not deadly: if *he* cannot, *I* can.

THE END.